

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

-----X

In re:

RECINE MATERIALS CORP.,

Case No: 13-74630-ast

Debtor.

Chapter 11

-----X

**ORDER DENYING MOTION TO APPROVE
SALE FREE AND CLEAR OF LIENS UNDER 11 U.S.C. § 363**

WHEREAS, on March 10, 2014, Recine Materials Corp. (“Debtor”) applied for entry of an Order to approve, *inter alia*, the auction sale of substantially all of Debtor’s assets outside the ordinary course of business, free and clear of all liens, claims, interests, and encumbrances under 11 U.S.C. § 363(b) and (f) (the “Motion”), and opposition papers having been filed thereto; and

WHEREAS, on March 12, 2014, the Court held a status conference in the above-captioned case at which the Court determined that under the circumstances of the case, that a private sale should also be considered; and

WHEREAS, on March 26, 2014, the Court held a hearing where the Court took live testimony of Nicholas Zacharis, Salimar Christine Recine, Len Stern and Luciano Recine; and heard arguments from all appearance parties and thereafter directed the parties to submit supplemental briefs on the narrow issue of whether such sale is proper under 11 U.S.C. § 363(f)(3); and

WHEREAS, on April 1, 2014, the Court held a ruling conference; and after due deliberation and consideration, and for the reasons stated on the record, determined that the sale as proposed could not be approved, but that the parties should be given a further opportunity to attempt to reach

a revised proposed sale agreement that would be amenable to the IRS and the proposed buyer; however, further discussions did not result in an agreement on an acceptable sale agreement; based thereon, the case has been converted to chapter 7, and the Motion should be denied.


Based on the foregoing, it is hereby

ORDERED, that Debtor's Motion is denied; and it is further

ORDERED, that the Clerk of Court serve a copy of this Order on all appearance parties.

Dated: April 11, 2014
Central Islip, New York





Alan S. Trust
United States Bankruptcy Judge